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September 19, 2019

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
The Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

**Re: Annual Review of Base Rates for Fuel Costs of Duke Energy Carolinas, LLC,  
Increasing Residential and Non-Residential Rates  
Docket No. 2019-3-E**

Dear Ms. Boyd:

This letter is being filed in response to a question related to the potential relicensing of Duke Energy Carolinas, LLC's ("DEC" or the "Company") operated nuclear plants in South Carolina which was discussed at the hearing in the above-referenced proceeding on Tuesday, September 10, 2019. In particular, Commissioner Ervin asked Company Witness Steven Capps to keep the Commission informed of DEC's relicensing decisions.

On September 17, 2019, Duke Energy announced an enterprise-wide updated climate strategy to accelerate its near-term 2030 target to at least a 50 percent reduction in carbon emissions from 2005 levels, and looks to achieve net-zero carbon emissions by 2050. Nuclear power plants generate more than half of all carbon-free electricity in the United States and are the only always-on power sources that do not emit greenhouse gases. Therefore, as part of its efforts to meet its climate goals and to continue providing reliable, efficient generation to customers, Duke Energy is pleased to inform the Commission that it is announcing today a plan to seek a Subsequent License Renewal ("SLR") for all of the nuclear units that its utilities operate in the Carolinas. Duke Energy believes that its nuclear plants are good candidates for second license renewal and Duke's intent is to renew the licenses a second time for the 11 units operating at six plant sites. Obtaining subsequent licenses for nuclear plants provides the opportunity to operate them for up to 80 years if it remains in the best interest of customers. The first SLR application pursued by Duke Energy will be for DEC's Oconee nuclear station in Seneca, SC. Oconee is Duke Energy's largest nuclear station, with three generating units that produce more than 2,500 megawatts

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currently slated to retire in 2033 and 2034. Preparing the Oconee license application first will provide significant learnings to use in completing license applications for the other plants operating in the Carolinas.

The Company expects to submit the SLR application for Oconee to the U.S. Nuclear Regulatory Commission in 2021. The nuclear license renewal process proceeds along two tracks – a review of safety issues and another for environmental issues. In these two tracks, (1) An applicant must address the technical aspects of plant aging and describe how these effects will be managed; and (2) Applicants must also evaluate potential environmental impacts of the plant operating another 20 years.

This information changes nothing about the rates at issue in this docket; however, because the request was made at hearing, the Company is filing this letter in this docket as information. Please do not hesitate to contact me if you have any questions or require any further information.

Sincerely,



Heather Shirley Smith

C: Parties of Record (via email)